~~TOP SECRET//COMINT//NOFORN//X1~~

SECURITY CLASSIFICATION

NSA STAFF PROCESSING FORM

TO	EXREG CONTROL NUMBER	KCC CONTROL NUMBER
DIRECTOR	88220	IG-10209-03

THRU	ACTION	EXREG SUSPENSE
D/DIR ✓, D SECRETARIAT	☐ APPROVAL	
SUBJECT: Quarterly Report to the Intelligence Oversight Board on NSA Activities—Third Quarter FY03 (U//~~FOUO~~)	☒ SIGNATURE	KCC SUSPENSE
	☐ INFORMATION	ELEMENT SUSPENSE

DISTRIBUTION

SUMMARY

PURPOSE: (U//~~FOUO~~) To forward to the Intelligence Oversight Board (IOB) of the President's Foreign Intelligence Advisory Board, via the Assistant to the Secretary of Defense for Intelligence Oversight (ATSD(IO)), NSA's quarterly report on its intelligence activities.

BACKGROUND: (U//~~FOUO~~) Executive Order 12333 and Executive Order 12863 require Intelligence Community agency heads and Intelligence Community General Counsels and Inspectors General, respectively, to report to the IOB on a quarterly basis concerning intelligence activities that they have reason to believe may be unlawful or contrary to Executive Order or Presidential Directive. The enclosed memorandum covers all reportable activities known to the Inspector General and General Counsel. Per PIOB letter of 6 August 1982, Agency heads are responsible for reporting separately any additional reportable activities known to them, unless the President has specifically instructed that the Board is not to be informed. The Director's signature signifies that no other activities that require reporting are known to him.

RECOMMENDATION: (U//~~FOUO~~) Director sign the enclosed memorandum.

Approved for Release by NSA on 12-19-2014, FOIA Case # 70809 (Litigation)

(b)(3)-P.L. 86-36

DECLASSIFY UPON REMOVAL OF THE ENCLOSURE(S)

COORDINATION/APPROVAL

OFFICE	NAME AND DATE	SECURE PHONE	OFFICE	NAME AND DATE	SECURE PHONE
ActingGC	Vito Potenza	5548s	DOS	Brenn 9/16	3201
AGC(O)		3121s			
IG	Joel F. Brenner	3544s			
DIG		3544s			
AIG(IO)		3544s			

ORIGINATOR	ORG	PHONE (Secure)	DATE PREPARED
	D11	963-2984	29 August 2003

DERIVED FROM: NSA/CSSM 123-2
DATED: 24 February 1998
DECLASSIFY ON: X1

SECURITY CLASSIFICATION
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NATIONAL SECURITY AGENCY
CENTRAL SECURITY SERVICE
FORT GEORGE G. MEADE, MARYLAND 20755-6000

18 September 2003

MEMORANDUM FOR THE CHAIRMAN, INTELLIGENCE OVERSIGHT BOARD

THRU: Assistant to the Secretary of Defense (Intelligence Oversight)

SUBJECT: (U//~~FOUO~~) Report to the Intelligence Oversight Board on NSA Activities - INFORMATION MEMORANDUM

(U//~~FOUO~~) Except as previously reported to you or the President, or otherwise stated in the enclosure, we have no reason to believe that any intelligence activities of the National Security Agency during the quarter ending 30 June 2003, were unlawful or contrary to Executive Order or Presidential Directive, and thus required to be reported pursuant to Section 1.7.(d) of Executive Order 12333.

(U//~~FOUO~~) The Inspector General and the General Counsel continue to exercise oversight of Agency activities by means of inspections, surveys, training, review of directives and guidelines, and advice and counsel. These activities and other data requested by the Board or members of the staff of the Assistant to the Secretary of Defense (Intelligence Oversight) are described in the enclosure.

JOEL F. BRENNER
Inspector General

VITO T. POTENZA
Acting General Counsel

(U//~~FOUO~~) I concur in the report of the Inspector General and the General Counsel and hereby make it our combined report.

MICHAEL V. HAYDEN
Lieutenant General, USAF
Director, NSA/Chief, CSS

Encl:
a/s

This Memorandum is Unclassified Upon Removal of Enclosure

DERIVED FROM: NSA/CSSM 123-2
DATED: 24 FEB 98
DECLASSIFY ON: X1

1. (U) INSPECTOR GENERAL ACTIVITIES

a. ~~(C//SI)~~ During this quarter, the Office of Inspector General (OIG) reviewed various intelligence activities of the National Security Agency/Central Security Service (NSA/CSS) to determine whether they were conducted in accordance with applicable statutes, Executive Orders, Attorney General procedures, and DoD and internal directives. With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities.

b. (U//~~FOUO~~) The NSA OIG completed an inspection of the National Security Operations Center (NSOC). The NSOC home page on NSA's intranet has a new intelligence oversight (I/O) link containing the policy requirements related to I/O training and compliance; hyperlinks to the basic I/O documents; a reminder of the requirement to review the documents once a year; an on-line test, and the capability to register individual compliance in an I/O compliance database. The test results are used to indicate compliance with the mandatory training. The on-line program has been a success story: 100-percent participation and a 100- percent pass rate by NSOC assignees.

c. ~~(S//SI)~~ Along with inspectors from the [redacted] (b)(3)-P.L. 86-36 [redacted] the NSA OIG completed an inspection of the Medina Regional Security Operations Center (MRSOC), Lackland Air Force Base, San Antonio, TX. The October 2000 joint inspection of the MRSOC noted numerous deficiencies in the site's I/O program. The March 2003 inspection revealed that the I/O familiarization process is still fragmented and individual responsibilities are not well defined. This blurs accountability and does not track with the site's governing oversight instruction, dated 15 November 2002. The process does not validate compliance and has no mechanism to enforce individual accountability. Consequently, coordinators and managers display little interest in or commitment to I/O compliance. USSID 18 training continues to be an issue because the MRSOC has not fully satisfied quarterly and annual training requirements for the past several years. The OIG joint report made several recommendations for improvement, which are being monitored for implementation.

DERIVED FROM: NSA/CSSM 123-2
DATED: 24 FEB 98
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d. ~~(TS//SI//NF)~~ [redacted]

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(b)(3)-P.L. 86-36
(b)(3)-50 USC 3024(i)
(b)(3)-18 USC 798

2. (U) GENERAL COUNSEL ACTIVITIES

~~(C//SI)~~ The NSA Office of General Counsel (OGC) reviewed various intelligence activities of the NSA/CSS to determine whether they were conducted in accordance with applicable statutes, Executive Orders, Attorney General procedures, and DoD and internal directives. The OGC advised Agency elements on a number of questions, including the collection and dissemination of communications of or concerning U.S. persons; the reporting of possible violations of federal criminal law contained in SIGINT product; the testing of electronic equipment; and the applicability of the Foreign Intelligence Surveillance Act (FISA). With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities. The OGC did not file any reports with the Intelligence Oversight Board during this quarter.

3. (U) SIGINT ACTIVITIES

a. ~~(S//SI)~~ Collection Against U.S. Persons

(1) (U) Intentional

~~(S//SI)~~ During this quarter, the DIRNSA granted approval for consensual collection against [redacted] persons. DIRNSA-approved consensual collection against [redacted] U.S. persons was routinely terminated this quarter.

(b)(1)
(b)(3)-P.L. 86-36

~~(S//SI)~~ The Attorney General granted authority to collect the communications of [redacted] U.S. persons during this quarter. Additionally, in accordance with the Classified Annex to Department of Defense Procedures Under Executive Order 12333, he orally approved the targeting of communications associated with [redacted]

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(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

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(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

(2) (U) Unintentional

a. ~~(TS//SI)~~ [redacted] an analyst found a telephone number in traffic that [redacted] had passed to [redacted] Since the number was [redacted] the analyst used it as a query term in a raw traffic database and obtained several contacts to personnel at the [redacted] The results indicated that the number might be associated with the [redacted] so the analyst reviewed previous voice traffic and determined that the telephone number belongs to the [redacted] who is a U.S. person. Except for the search in the database, the telephone number was never tasked for collection. [redacted]

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(b)(3)-P.L. 86-36

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(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

b. ~~(S//SI)~~ [redacted] that a [redacted] nvolved in [redacted] and linked to a known [redacted] organization, was a U.S. person. The Office of Primary Interest immediately detasked the trafficker's telephone number, deleted all audio intercepts for his telephone number, purged all pertinent transcripts from the transcript storage database, and cancelled all previously published reports based on his communications.

c. ~~(S//SI)~~ [redacted]

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OGA
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(b)(7)(D)
(b)(7)(E)
(b)(7)(F)

d. ~~(TS//SI)~~ DIRNSA granted a destruction waiver [redacted] for incidental collection at [redacted] of telephones [redacted] Continued use of these communications [redacted] was determined to be a communications security/force protection issue.

(b)(1)
(b)(3)-P.L. 86-36

e. ~~(TS//SI//NF)~~ Due to a database error that occurred [redacted] collection, authorized in a FISA court order, did not occur. [redacted] collection was terminated [redacted]

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(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

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(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

Reviews of activity logs revealed that some collection had occurred after the court order expired [redacted] All product has been destroyed.

f. ~~(TS//SI)~~ [redacted] the [redacted] issued a report and later realized part of the information in the report came from [redacted] in which the [redacted] The collection on the telephone number was authorized by a FISA court order. The report was canceled and reissued without the [redacted] communications portion.

g. ~~(TS//SI)~~ During routine target search and development operations, [redacted] removed approximately [redacted] cell phone identifiers from a [redacted] system upon recognition that the numbers probably belonged to U.S. persons who called targets of interest.

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(b)(3)-50 USC 3024(i)

h. ~~(TS//SI)~~ The [redacted] is tasked to collect the communications of members of the [redacted]. After a member of the [redacted] was [redacted] SID advised [redacted] to destroy all collection and detask the relevant telephone numbers.

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(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

i. ~~(S//SI)~~ [redacted] the Gordon Regional Security Operations Center (GRSOC), Fort Gordon, GA, inadvertently collected and reported the communications of a U.S. official with [redacted] person. The unintentional collection was recognized [redacted] and the report was cancelled.

j. ~~(S//SI//NF)~~ This quarter, unintentional retrievals using the [redacted] raw traffic files resulted in [redacted] incidents against U.S. persons. All incidents were reported to responsible oversight officials and corrective actions were taken. All unauthorized traffic collected has been destroyed.

(b)(3)-P.L. 86-36

b. (U//~~FOUO~~) Dissemination of U.S. Identities

(1) (U) Intentional

~~(S//SI)~~ In accordance with section 7 of USSID 18, U.S. identities were disseminated [redacted] times during this quarter. The following table shows the justification and the number of instances of dissemination: In the "Unmasked" column, the U.S. identity was revealed in a

(b)(1)
(b)(3)-P.L. 86-36

serialized end product; in the "User Requested" column, a U.S. identity was released to a user at the user's request.

JUSTIFICATION	Unmasked	User Requested	TOTAL
7.2.c Necessary			
7.2.c.1 Foreign Official			
7.2.c.3 International narcotics			
7.2.c.4 Criminal activity			
7.2.c.7 U.S. Government Official[1]			
TOTAL			

[1] ~~(S)~~ Each mention of an individual identifier in a single report is counted by the software as one dissemination. Thus, if an individual is mentioned five times in one report, the software tallies five disseminations.

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(b)(3)-P.L. 86-36

(2) (U) Unintentional

~~(S//SI)~~ During this quarter, [ ] SIGINT products were canceled because they contained the identities of U.S. persons, organizations, or entities. Unintentional dissemination also occurred in circumstances other than reporting as follows:

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(b)(3)-P.L. 86-36

a. ~~(C)~~ Although the identities were minimized in SIGINT reports, several U.S. [ ] names were included in summary report highlights posted on NSA's intranet. Upon realizing the mistake, the SID staff removed the highlights from the intranet and reposted a minimized version.

(b)(3)-P.L. 86-36

b. ~~(TS//SI)~~ [ ] issued a [ ] [ ] which was later found to be based on collection involving [ ] The [ ] was cancelled and the collection was destroyed.

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(b)(3)-P.L. 86-36

c. ~~(TS//SI)~~ During routine oversight, SID oversight officials identified a total of [ ] issued by [ ] different [ ] [ ] that contained the identities of U.S internet service providers (ISPs). Upon instruction from [ ] HQS, [ ] cancelled the [ ] and reissued them with the proper minimization. In addition, [ ] Headquarters emailed [ ] reminding them that U.S. ISPs are considered U.S. entities and must be minimized in [ ]

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(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

Furthermore, during the "U.S. Identities in SIGINT" briefing to the [redacted] SIGINT Reporting Workshop, SID oversight officials will emphasize that certain ISPs are U.S. companies and need to be minimized in SIGINT reports.

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(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

d. ~~(TS//SI)~~ [redacted] issued an [redacted] containing the name of a senior U.S. official. [redacted] cancelled and reissued the [redacted] on [redacted] identifying the official by title only.

e. ~~(TS//SI)~~ The Kunia Regional Security Operations Center issued [redacted] reports containing information related to a named U.S. [redacted] located [redacted]. The report was cancelled and reissued with the [redacted] name minimized.

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(b)(3)-P.L. 86-36

(3) (U) Raw Traffic Dissemination Outside the SIGINT Production Chain

~~(S//SI)~~ [redacted] SID Oversight and Compliance Office (O&C) became aware that [redacted] assigned to the [redacted] had unauthorized access to numerous raw traffic databases. Over the next [redacted] O&C determined that some of these individuals were authorized access while working in [redacted]; however, these accounts were neither deactivated nor properly re-justified when the personnel were reassigned. Other individuals gained access because they identified themselves as assigned to [redacted] without providing amplifying information and it was erroneously assumed that they were assigned to the [redacted] O&C received no response to a request for information about how the accounts were being used and, on approximately [redacted] had the accounts deactivated until a request for authorization could be processed within established channels.

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(b)(3)-50 USC 3024(i)

~~(S//SI)~~ [redacted] the SIGINT Director directed that the accounts be reinstated when he received assurances from [redacted], that [redacted] might assign a mission to [redacted]. On or about [redacted] the ACO spoke with the NSA [redacted] who confirmed that [redacted] was not assigned an NSA [redacted] mission, which subsequent investigations confirmed. Access for [redacted] was not cancelled, however, because the leadership of Analysis and Production, SIGINT Directorate, wanted access retained for [redacted]. Although O&C has received

information justifying the current accounts, it has received no information covering the unauthorized access prior to May. Although the investigation has not been completed, at this time, it appears that access to national databases was used to prosecute an unspecified [redacted] target, rather than any NSA mission.

4. (U) OTHER ACTIVITIES

(b)(1)
(b)(3)-P.L. 86-36

(U) Integrees in Analysis and Production

~~(S//SI//NF)~~ During this quarter, [redacted] In all cases, these individuals were provided with USSID 18 training. Organizations having integrees at NSA included [redacted]

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(b)(3)-P.L. 8

(U) Assistance to Law Enforcement

a. ~~(S//SI//NF)~~ During the quarter, NSA received a request from the Department of Justice under Section 105a of the National Security Act of 1947, which allows NSA to provide support to law enforcement if the target is foreign and is located overseas. NSA support included [redacted]

In accordance with standard practices for such requests, the SID forwarded the results directly to the OGC for vetting before dissemination.

b. ~~(S//SI)~~ The SID approved [redacted] requests for technical assistance from law enforcement during this quarter. Assistance included [redacted]

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(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

(U) Working Aids

a. (U) All SID personnel at NSA Headquarters and in the Extended Enterprise have access to the document, "U. S. Identities in SIGINT," and other guidance documents either in hard copy or via NSA's intranet. SID personnel are cognizant of NSA/CSS Directive 10-30 and review it as necessary to ensure compliance with the directive. Several offices in SID maintain files to be used to prevent targeting of U.S. persons.

b. (U//~~FOUO~~) NSA [redacted] redesigned its home web page (b)(3)-P.L. 86-36 to include an Intelligence Oversight link. As part of their quarterly training, [redacted] personnel are required to access the site, read its contents and complete the form at the end signifying they completed the required training.

c. (U//~~FOUO~~) The SID has also developed a web-based training program that currently is in beta testing. This program is designed to provide lists of individuals within an office who have completed the training.

(U) Databases

~~(S//SI)~~ Numerous branches in [redacted] (b)(1) (b)(3)-P.L. 86-36 [redacted] consistent with OGC guidance, [redacted] to avoid USSID-18 violations. Only information that is essential to understanding the intelligence is included. [redacted] Additionally, many Offices of Primary Interest [redacted] in order to ensure that they are not collected against or named in product.